

R E M A R K S

Claims **1 - 58** are pending.

Claims **1 - 24, 35 and 56** have been examined, of which **1, 21, 22, 24, 35 and 56** are independent.

Claims **25 - 34, 36 - 55, 57 and 58** are withdrawn from consideration.

Section 112, paragraph 2 Rejections

Claims **1, 21 and 35** have been rejected as indefinite. We traverse the rejection.

It appears that the indefiniteness rejection of claim **56** has not been maintained. For example, page 2, paragraph number 5 of the Office Action states only that claims **1, 21 and 35** have been rejected as indefinite. In addition, the paragraph that immediately follows the paragraph numbered 5 describes the language that purportedly renders claims **1, 21 and 35** indefinite, but does not at all mention claim **56**. thus we assume that the Examiner has accepted our previous arguments that claim **56** was not indefinite.

Examiner's Legal Basis Is Only Indefiniteness

The legal basis the Examiner has employed is unclear. We had in the previous response (Applicants response mailed January 10, 2005) indicated that if the Examiner intends to assert that an essential step is missing from the claims, then an essential elements rejection is a rejection for lack of enablement of the claimed invention, not indefiniteness. See 1st paragraph of MPEP § 2172.01.

Since the Examiner has maintained the indefiniteness rejection and not now asserted an enablement rejection, we must assume that the Examiner never

intended to assert an enablement rejection, and is solely basing the rejection under 35 U.S.C. § 112 on the indefiniteness of the claims.

Claims are indefinite "if reasonable efforts at claim construction prove futile," that is, if a claim "is insolubly ambiguous, and no narrowing construction can properly be adopted." Exxon Research & Eng'g Co. v. United States, 265 F.3d 1371, 1375 (Fed. Cir. 2001). Even if it is a formidable task to understand a claim, and the result not unanimously accepted, as long as the boundaries of a claim may be understood it is "sufficiently clear to avoid invalidity [for] indefiniteness." Id. at 1375. See also Invitrogen Corp. v. Biocrest Mfg., L.P., 424 F.3d 1374, 1383 (Fed. Cir. 2005).

Claim 1

On page 2 of the Office Action the Examiner contends:

"It is unclear and vague in the claim language what Applicant means by specified auction behavior in claim 1. Does Applicant mean the controlling of a rule when the bid can be placed?"

Also, on page 10 of the Office Action the Examiner contends:

"It cannot be determined whether there is a step of steps missing from the claims because the claim language indicated is unclear. It is not understood what the specified auction behavior is in claim 1"

From these statements, it is unclear exactly what portion(s) of claim 1 are deemed to render the claim indefinite. The Examiner has not clarified in this Office Action whether the purported lack of clarity stems from (1) what "auction behavior" means, (2) how auction behavior is "specified", or (3) some other reason.

As best as we can interpret the rejection of claim 1, we respond by directing the Examiner's attention to, e.g., **page 8, lines 28 - 30** of the application which clearly explains what is meant by auction behavior:

"An auction behavior is a manner in which bids in an auction are placed, for example, the times at which they are placed, the frequency with which they are placed, and the amount by which they exceed any previous bid."

The use of the word "specified" immediately before "auction behavior" clearly indicates that the second occurrence in claim 1 of the term "auction behavior" is the same as the first occurrence in claim 1.

Accordingly, when read in light of the specification, there is no ambiguity to the language of claim 1.

Claim 21

On page 2 of the Office Action the Examiner contends:

"It is unclear and vague in the claim language what Applicant means by identifying an auction behavior in claim 21"

Also, on page 10 of the Office Action the Examiner contends:

"It cannot be determined whether there is a step of steps missing from the claims because the claim language indicated is unclear. It is not understood ... in claim 21 how the auction behavior is identified"

From these statements, it is unclear exactly what portion(s) of claim **21** are deemed to render the claim indefinite. Specifically, the Examiner has not clarified whether (1) the broadest reasonable interpretation of claim **21** in light of the specification somehow alters the meaning of "identify" from its ordinary meaning, (2) the ordinary meaning of "identify" is somehow antithetical to its usage in claim **21** regardless of any meaning that may be gleaned from the specification, (3) the ordinary meaning of "identify" is somehow antithetical to its usage in claim **21** due to meaning that may be gleaned from the specification, or (4) some other reason.

As best as we can interpret the rejection of claim **21** (that "[i]t is not understood ... how the auction behavior is identified"), this appears to be a request to indicate the structure corresponding to the means-plus-function element of claim **21**. The Examiner has not even alleged that any portion of the language of claim **21** is indefinite (i.e. insolubly ambiguous to one of ordinary skill in the art); the Examiner has merely requested an explanation of how the function is performed. In the prior response, we identified various structure in response to the rejection of claim **21**. Since the Examiner has imposed the current indefiniteness rejection of claim **21**, we assume that there must be another legal reason besides a request for structure to perform the recited function.

For all of the above reasons, there is no *prima facie* showing of indefiniteness of claim **21**.

Claim 35

On page 2 of the Office Action the Examiner contends:

"It is unclear and vague in the claim language what Applicant means by ... a behavior selector in claim 35."

Also, on page 10 of the Office Action the Examiner contends:

"It cannot be determined whether there is a step of steps missing from the claims because the claim language indicated is unclear. It is not understood ... in claim 35 what is meant by a behavior selector."

From these statements, it is unclear exactly what portion(s) of claim **35** are deemed to render the claim indefinite.

As best as we can interpret the rejection of claim **35**, this appears to be a request to indicate the structure corresponding to the "behavior selector or behavior criteria" of claim **35**. The Examiner has not even alleged that any portion of the language of claim **35** is indefinite. The Examiner has not even alleged that any portion of the language of claim **35** is indefinite (i.e. insolubly ambiguous to one of ordinary skill in the art); the Examiner has merely requested an explanation of what a particular component of the claim is. In the prior response, we identified various structure in response to the rejection of claim **35**.

Accordingly, there is no *prima facie* showing of indefiniteness of claim **35**.

Section 103 Rejections

Claims **1 - 24, 35 and 56** are rejected as being unpatentable over a combination of Barzilai (U.S. Patent No. 6,012,045) and McAfee (U.S. Patent No. 6,718,312). Applicants traverse the Examiner's Section 103(a) rejection. There has been no *prima facie* showing that the claims are obvious.

Examiner's Claim Interpretation

The Examiner asserts on page 11 of the Office Action that:

"An auction behavior can be the electronic payment of funds from the bidder for each bid based upon the number of bids submitted by the bidder."

We assume from this statement that the Examiner has interpreted the term "auction behavior" in the claims as reading on "[a]n auction behavior can be the electronic payment of funds from the bidder for each bid based upon the number of bids submitted by the bidder."

However, this interpretation is clearly at odds with the definition of "auction behavior" at, e.g., page 8, line 27 of the application:

"An auction behavior is a manner in which bids in an auction are placed, for example, the times at which they are placed, the frequency with which they are placed, and the amount by which they exceed any previous bid."

Since the Examiner's claim interpretation is legally unsupportable, and since this claim interpretation is apparently the basis for the usage of one or both references in the Section 103 rejection, the rejection is improper.

No Motivation to Combine

The motivations the Examiner proposes for combining the two disparate references are all essentially statements that the proposed combination would confer a benefit. This is clearly a legally insufficient basis for combining references, and so the rejection is improper.

The motivations the Examiner proposes are listed immediately below.

Page 3, last paragraph:

"because such a modification would allow Barzilai to have bid restrictions and additive activity rules to control the behavior of auction participants."

Page 4, second paragraph:

"because such an incorporation would allow Barzilai to have a bidder's eligibility for current bidding dependent upon the past bidding activity according to activity rules."

Page 7, first paragraph:

"because such an incorporation would allow Barzilia to apply rules that make a bidder's eligibility for current bidding dependent upon the past bidding activity."

Page 8, second paragraph:

"it would have been obvious to a skilled artisan for Barzilai to control when a bid may be placed automatically for a bidder in view of Barzilai's teachings of auction rules and bidding."

Page 9, first paragraph:

"in view of Barzilai's teachings of rules, a password control and a rule display and because such a modification would allow Barzilai to permit a user to place a reasonable number of bids on a single product or service whereby the system accepts the highest bid submitted by all bidding customers"

Limitations of Independent Claims 1 and 21

Despite the Examiner's assertion, neither reference discloses or suggests any *identifying an auction behavior*. For at least this reason, no *prima facie* case of obviousness of claim **1 or 21** has been shown.

Also, despite the Examiner's assertion on page 3, last paragraph of the Office Action, the cited portions of McAfee have nothing to do with "controlling when a bid may be placed automatically for a bidder".

Limitations of Independent Claim 22

Contrary to the Examiner's assertion, no portion of Barzilai has anything to do with a "*selected auction behavior*" or a sort of rules which would "*encourage the selected auction behavior*". Thus, for at least this reason, no *prima facie* case of obviousness of claim **22** has been shown.

Limitations of Independent Claim 24

Claim **24** includes generally the same language described immediately above with respect to the rejection of claim **22**. The rejection of claim **24** is flawed in at least the same manner as described above with respect to claim **22**. Accordingly, the rejection claim **24** does not demonstrate a *prima facie* case of obviousness.

Limitations of Independent Claim 35

The rejection of claim **35** is flawed in proposing that Barzilai discloses anything to do with *auction behavior*, much less the specific limitations the Examiner alleges. The first cited portion of Barzilai (col. 6, lines 27 - 37) merely

discloses that buyers may pay for bid charges with, e.g., a credit card account. The second cited portion of Barzilai (col. 6, lines 39 - 50) merely discloses that winning bids for a product generate a shipping order to a supplier.

Accordingly, the rejection claim **35** does not demonstrate a *prima facie* case of obviousness.

Limitations of Independent Claim 56

The rejection of claim **56** is completely devoid of any detail, referring instead to the rejections of all other claims. Accordingly, no *prima facie* case of obviousness has been shown.

Moreover, the rejection of claim **56** is further flawed in that no reference of record has anything to do with *determining a behavior of each of the concluded auctions from the bidding information*.

Conclusion

If there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact **Dean Alderucci** at telephone number **203-461-7337** or via electronic mail at **Alderucci@WalkerDigital.com**.

Respectfully submitted,



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